VZCZCXRO8654 OO RUEHCHI RUEHDT RUEHHM RUEHNH RUEHTRO DE RUEHGO #0888/01 3220528 ZNY CCCCC ZZH O 170528Z NOV 08 FM AMEMBASSY RANGOON TO RUEHC/SECSTATE WASHDC IMMEDIATE 8398 INFO RUCNASE/ASEAN MEMBER COLLECTIVE RUEHGG/UN SECURITY COUNCIL COLLECTIVE RUEHBY/AMEMBASSY CANBERRA 1630 RUEHNE/AMEMBASSY NEW DELHI 5120 RUEHUL/AMEMBASSY SEOUL 8708 RUEHKO/AMEMBASSY TOKYO 6281 RUEHCHI/AMCONSUL CHIANG MAI 1925 RUEHGV/USMISSION GENEVA 4128 RHHMUNA/CDR USPACOM HONOLULU HI RHEHNSC/NSC WASHDC RUCNDT/USMISSION USUN NEW YORK 2106 RUEKJCS/SECDEF WASHDC RUEKJCS/JOINT STAFF WASHDC

C O N F I D E N T I A L SECTION 01 OF 05 RANGOON 000888

SIPDIS

DEPT FOR EAP/MLS, F, DRL AND IO DEPT FOR USAID/AME, BANGKOK FOR USAID/RDMA, PACOM FOR FPA

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TAGS: <u>PGOV PREL PHUM EAID ECON SOCI BM</u>
SUBJECT: STAFFDEL GROVE'S NOVEMBER 8-10 VISIT TO BURMA

REF: RANGOON 879

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Classified By: P/E Chief Jennifer Harhigh for Reasons 1.4 (b) & (d)

Summary

- Staffdel Grove visited Burma November 8-10 to monitor USG Cyclone Nargis assistance, assess the current political climate, and discuss the future of USG humanitarian assistance to Burma (see septel). During Mr. Grove's trip to the Cyclone-ravaged Irrawaddy delta, villagers expressed gratitude for USG support and were aware Barack Obama had won the U.S. election. Two NGO activists described efforts by some democracy supporters to participate in 2010 elections. In Rangoon, NLD and ethnic politicians thanked Grove for U.S. support of Burma's pro-democracy movement. They conveyed strong opposition to the 2010 elections and called on the United States to reject what they described as an illegitimate process. When asked, they acknowledged the need for humanitarian assistance, divorced from the regime. UN representatives, NGOs and diplomats urged Grove to support continued USG humanitarian assistance as a source of influence and leverage here, and they argued for the return of the Global Fund to Burma. Throughout the visit, Grove was struck by the need to increase communication among all players in the Burma political equation. End Summary.
- During a November 8-10 visit to Rangoon and Labutta (C) (in the Irrawaddy Delta), Senate Appropriations Committee Minority Clerk Paul Grove met with Burmese villagers; the Central Executive Committee of the National League for Democracy (NLD); ethnic politicians; local and international NGO representatives; diplomats from China, the UK, Australia, Singapore, and Japan; the UN country team; and Government of Burma officials, including Deputy Foreign Minister Kyaw Thu and Deputy Health Minister Mya Oo. His request to meet with Aung San Suu Kyi and other political detainees was not granted.
- U.S. Making a Positive Impression in the Delta

- 13. (C) On November 9, Mr. Grove and the Charge flew by helicopter to Labutta Township in the Irrawaddy Delta to observe USG cyclone-relief efforts. UN Resident Coordinator Bishow Parajuli, USAID OFDA's Stacey Ballou, International Development Enterprises (IDE) head Debbie Aung Din Taylor, and IDE staff member Dr. Khin Zaw Win accompanied. During meetings in four villages, locals recounted horrific cyclone experiences and said they will continue to need donor assistance for at least two years if they are to regain a barely-sustainable rice-farming livelihood. In one village, representatives of various UN agencies briefed the group on their efforts. In each meeting, Grove asked villagers whether it is the Government of Burma or international donors who have saved them. That always provoked cynical laughter and assurance: the international donors, of course. In each village, Charge described the concern of the American government and people about the tragedy, and America's thankfulness to be able to assist. Grove asked in each village if people were aware of the U.S. elections. Nearly all were and at least some could identify "Obama" as the victor. The source of such information was foreign radio news.
- 14. (C) During lunch at a villager's bare-bones home, Grove, Taylor, and Taylor's IDE colleague Dr. Khin Zaw Win, a former political prisoner, discussed Burma politics. Dr. Khin Zaw Win revealed that he has recently joined a group of non-NLD democrats who intend to contest the regime's 2010 elections. Taylor and Dr. Khin Zaw Win explained their view that the NLD, including Aung San Suu Kyi (ASSK) during the periods when she was free, have missed opportunities to negotiate political progress. Taylor and Dr. Khin Zaw Win perceive a

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chance that the 2010 elections, while destined to be very imperfect, will create some space for some pro-democracy participation in governance. Taylor argued that, as can be seen by some ministries' relatively helpful responses to cyclone relief, there are shades of gray within the regime that can be utilized. She urged engagement. Taylor informed Grove that she is seeking a meeting with ASSK, a long-time close friend of Taylor's mother, to discuss the political state of play. Grove later observed that increased "communication" across the board is a critically needed element in the Burma political equation.

NLD and Ethnic Opposition Reject Constitution, Elections

- 15. (C) Mr. Grove met November 10 with members of the National League for Democracy's Central Executive Committee (CEC) aka "the Uncles", including recently released political prisoners U Win Tin and U Khin Maung Swe. At the start of the meeting, Grove noted his request to meet with party leader Aung San Suu Kyi had been declined. The CEC members explained their dissatisfaction with the regime's sham roadmap and illegitimate constitution, which they calculate are intended to assure the hegemony of the armed forces in the political life of the country. Uncle U Nyunt Wei described the NLD's strategy as a careful, determined opposition within peaceful boundaries, akin to Gandhi's nonviolent approach, though without the street activity.
- 16. (C) The uncles told Grove they see any discussion, including by the UN, of the planned 2010 elections as wrongly legitimizing the constitution. U Win Tin described in detail the torture and conditions he had endured in prison and he reiterated that priority one for the NLD is the release of political prisoners, followed by the beginning of a meaningful dialogue. The dialogue will need to be long-term and address the constitution, elections and political party registration, he added.
- 17. (C) When Grove asked about assistance issues, the CEC

members noted that the NLD had to keep a low profile when providing post-cyclone humanitarian assistance to avoid arrest and harassment. The NLD chair of the Nargis relief effort, U Ohn Kyaing, was arrested a month ago. Uncles indicated USG humanitarian assistance is useful, as long as it in no way flows through the regime. In response to Grove's inquiry about donor and UN coordination with the NLD, the uncles said they had some contact with the former UN resident coordinator Charles Petrie but have only met current resident coordinator Bishow Parajuli once since his May 2008 arrival. (Note: Bishow indicated to Grove at the U.N. lunch meeting that he met with the Uncles "several times.") The Uncles characterized UN diplomacy efforts as a failure although they said they view the personal intervention of UNSYG Ban Ki Moon as a potential way to convince the regime to engage in a genuine dialogue.

- 18. (C) During a separate meeting at NLD HQ, NLD members and HIV/AIDS activists Phyu Phyu Thin and Yarzar described their ongoing efforts to provide education, treatment and care to those infected with HIV in a hostile political environment. Grove commended them and the party for their courage and work in embracing such a difficult issue.
- 19. (C) Ethnic political leaders from the Arakan League for Democracy (Aye Thar Aung), Mon Nationalities Democratic Front (Nai Ngwe Thein and Nai Tun Thein), and Zomi National Congress (Pu Chin Sian Thang) expressed gratitude to Grove for the USG's continued support for the pro-democracy movement, but criticized UN discussion of the 2010 election process. The ethnic leaders noted that the United Nationalities Alliance (UNA), a consortium of ethnic political organizations, recently announced its members would boycott the planned 2010 elections. Aye Thar Aung said the UNA would regard those who eventually participate in the

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elections as supporters of the regime.

- 110. (C) When Grove asked about donor assistance, Pu Chin Sian Thang condemned the arrest of Zaganar and other political activists who engaged in cyclone relief efforts and said he regards many of those who remain active in cyclone relief as apologists for the regime who do not have the best interests of the people at heart. Aye Thar Aung said he believes that humanitarian assistance is helpful, but it alone cannot create the political space needed for democratic change. Aid must be undertaken in conjunction with political activism. Aye Thar Aung added that he and his colleagues would support continued humanitarian assistance, provided it goes directly to the people and not the regime.
- 111. (C) When Grove asked what more the US and UN could do to support the efforts of democracy advocates, Arakan League for Democracy leader Aye Thar Aung recommended, without elaboration, that UNSYG Ban Ki Moon should "forcefully implement" existing UN resolutions on Burma, and suggested the U.S. pressure the UN to open a liaison office in Burma for its special envoy.

NGOs, Diplomats Urge Continued USG Humanitarian Assistance

112. (C) NGOs and diplomatic contacts urged the continuation of USG humanitarian assistance to the Delta, arguing that, in addition to addressing obvious humanitarian needs, the aid gives the U.S. access and potential leverage vis-a-vis the Government of Burma. NGOs said coordination on the ground among NGOs is improving, and they are able to avoid duplication of efforts. NGOs said they are used to working with short-term money in Burma and thus are able to adapt to changing funding levels. Save the Children and Population Services International (PSI) representatives noted that although per capita assistance to Burma is much lower than in other countries, a little goes a long way. NGOs said donors shouldn't play politics with assistance to Burma because it

doesn't change the regime, and ultimately people will die. NGO representatives argued that humanitarian assistance creates accountability; citizens translate their expectations of NGOs into expectations of the government. Furthermore, NGOs are educating recipients and employees into a system of meritocracy.

113. (C) The UK and Australian ambassadors said their governments are significantly increasing assistance to Burma, despite global economic malaise and the difficulty of operating in the Burma environment. Both noted that increased assistance would demonstrate to the average Burmese citizen that the outside world cares about them and that there are proven alternatives to the GOB in meeting humanitarian needs. Furthermore, both governments have concluded there is a need to reverse decades of neglect of Burma's human capital in anticipation of any future transition.

Global Fund, Inadequate GOB Health Spending

114. (C) During Grove's meetings with NGOs, diplomatic contacts, and staff of the Three Diseases Fund (3DF), interlocutors urged the USG to support Burma's upcoming application for Round 9 of the Global Fund (GF). NGOs reps said initial preparations for the Round 9 proposal are demonstrating appropriate coordination. The proposal is expected to be structurally sound and to incorporate the role of civil society in health assistance. Grove observed that the Global Fund would make the ultimate decision, and he said it is a misperception that the Senate Appropriations Committee was behind the GF's 2005 pullout from Burma. He reminded NGO, diplomatic and 3DF contacts that the GF's reputation would be on the line. Given recently reported abuses in Zimbabwe, the GF will surely insist on a sound

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proposal and will want access to verify activities to ensure no money goes to the GOB.

115. (C) Grove met with GOB Deputy Health Minister Mya Oo, who highlighted Burma's efforts and bilateral cooperation on avian influenza, in addition to discussing the Global Fund application (Reftel). When questioned by Grove about the GOB's inadequate health expenditures, Mya Oo conceded that the GOB devotes too little spending on health. Instead of 2 percent, Mya Oo said, health spending should account for 5 percent of GDP.

Regional Players: China's Role; Deep Sea Ports?

- 116. (C) During a November 8 meeting, Chinese Ambassador Guan Mu delivered to Grove and CDA a set piece on how Burma would develop democracy in its own way and at its own pace. Grove reminded Mu that Burma's situation is unique; the Burmese people chose the NLD in free elections, but the military has failed to recognize the results. Grove observed that Burma's problems are a regional contagion that ultimately costs China money and puts its people at risk. He urged China to use its leverage to facilitate cooperation and coordination among the international community in dealing with Burma.
- 117. (C) Grove asked Chinese Ambassador Guan Mu and separately Deputy Foreign Minister Kyaw Thu about reports the Chinese are constructing a deep-sea port in Burma. Mu noted that the possibility exists but said constructing such a port would take time and be hampered by poor infrastructure. Deputy Foreign Minister Kyaw Thu said China, India and Thailand are interested in deep sea ports in Rakhine State, Myeik (Tanintharyi Division) and Sittwe (also in Rakhine State) respectively. China and Thailand have already sent survey teams, and the next step is to send the survey reports through the appropriate line ministry for discussion with

other ministers, leading ultimately Cabinet-level decisions. Both interlocutors left the distinct impression that no final decisions have been reached and that no construction is under way.

UN Representatives Urge TCG Expansion

118. (C) UN country team members detailed for Grove the operations of the various UN agencies in Burma. Most reported they have been able to make progress on their mandates, although the UNHCR country representative noted that the refugee protection situation is the worst he has seen anywhere. All agreed that the U.S. should join other countries in pressing for an expansion in time and space of the Trilateral Core Group (TCG: UN, ASEAN, Burma) mandate in an attempt to increase international access to Burma in general and promote progress. (Note: Deputy Foreign Minister Kyaw Thu, chair of the TCG, later told Grove he would be prepared to oversee a continuation or expansion, but higher levels of the GOB would need to agree. Kyaw Thu said he cannot be the one to raise the issue.) ILO chief Steve Marshall observed that even though the 2010 elections would be a sham, the international community should attempt to hold the GOB to its word. Mr. Grove urged UN country team members to keep the NLD on their agenda since that party has the legitimacy of being elected by the Burmese people.

DFM on POTUS-elect, Bangladesh Dispute, TCG Expansion

119. (C) During a brief courtesy call on Deputy Foreign Minister and TCG chair Kyaw Thu, Grove asked if the congratulatory messages from the GOB to President-elect Obama and Vice-President-elect Biden are signals of some sort. Kyaw Thu responded that the messages were standard protocol, and the GOB sent similar messages following the 2000 and 2004

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elections.

- 120. (C) Kyaw Thu expressed optimism that Burma's maritime dispute with Bangladesh will be solved peacefully, noting that another Deputy Foreign Minister would be traveling to Dhaka November 14. Charge asked about requests for China to help mediate the dispute. Kyaw Thu said Burma has been consulting with China to ensure a "balanced view."
- 121. (C) Grove noted that the regime did not grant his request to meet Aung San Suu Kyi and other political prisoners. He urged unconditional release for those prisoners. Kyaw Thu replied that the Home Affairs Ministry has responsibility for such issues.

Comment

122. (C) In Mr. Grove's first visit to Burma, he interacted with a wide variety of interlocutors, including GOB officials, NGOs, international organizations, diplomats, and ordinary Burmese. Mr. Grove heard differing views on political topics from players who all too often do not talk to each other much. He was pleased that NGO activist Taylor is attempting to get a meeting with Aung San Suu Kyi particularly as she and/or her staff may have political aspirations. Grove indicated some concern that should IDE staff become politically active, the U.S. may find itself in a difficult position in between the NLD and new political organizations. Such conversations need to occur, though the regime's extreme paranoia about dissent makes such efforts very difficult. Throughout the visit, interlocutors underscored the value of continued USG humanitarian assistance, stressing that it saves lives, permits some rebuilding of human capacity, and provides a powerful public relations and political tool. It demonstrates to Burma's people their own government's lack of concern and ineptness.

End Comment.

 $\underline{\ }$ 23. (SBU) Mr. Grove cleared this message. VAJDA